



Office of Foreign Assets Control

31 CFR Part 589

Publication of Ukraine-/Russia-Related Web General Licenses 15K and 15L

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Publication of Web General Licenses.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing two general licenses (GLs) issued in the Ukraine-/Russia-Related sanctions program: GL 15K, which was previously issued on OFAC's website and is now expired, and GL 15L, which was also previously issued on OFAC's website and had an expiration date of May 25, 2022.

DATES: GL 15L was issued on April 25, 2022. See SUPPLEMENTARY INFORMATION of this rule for additional relevant dates.

FOR FURTHER INFORMATION CONTACT: OFAC: Assistant Director for Licensing, 202-622-2480; Assistant Director for Regulatory Affairs, 202-622-4855; or Assistant Director for Sanctions Compliance & Evaluation, 202-622-2490.

SUPPLEMENTARY INFORMATION:

Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: www.treas.gov/ofac.

Background

OFAC issued GL 15 on May 22, 2018 to authorize certain transactions necessary for the maintenance or wind down of operations or existing contracts with GAZ Group, or entities in which GAZ Group owned, directly or indirectly, a 50 percent or greater interest, otherwise prohibited by the Ukraine Related Sanctions Regulations, 31 CFR part 589 (which have since been renamed the Ukraine-/Russia-Related Sanctions Regulations). At the time of issuance,

OFAC made GL 15, which had an expiration date of October 23, 2018, available on its website (www.treas.gov/ofac). Subsequently, OFAC issued further iterations of GL 15, all of which were available on OFAC's website. These iterations extended the period the authorizations in GL 15 remained in effect and broadened the scope of GL 15's authorizations. OFAC published GLs 15 through GL 15J in the *Federal Register* on July 28, 2021 (86 FR 40310, July 28, 2021).

On January 24, 2022, OFAC issued GL 15K, replacing and superseding GL 15J. GL 15K had an expiration date of April 27, 2022. On April 25, 2022, OFAC issued GL 15L, replacing and superseding GL 15K. GL 15L narrows the scope of GL 15K and had an expiration date of May 25, 2022. The text of GLs 15K and 15L is provided below.

OFFICE OF FOREIGN ASSETS CONTROL

Ukraine Related Sanctions Regulations 31 CFR part 589

GENERAL LICENSE NO. 15K

Authorizing Certain Activities Involving GAZ Group

(a) Except as provided in paragraphs (c) and (d) of this general license, transactions and activities otherwise prohibited by the Ukraine Related Sanctions Regulations, 31 CFR part 589 (URSR), that are ordinarily incident and necessary to the manufacture and sale of existing and new models of vehicles, components, and spare parts, including automobiles, light commercial vehicles, trucks, buses, engines/powertrains, produced by GAZ Group, or any entity in which GAZ Group owns, directly or indirectly, a 50 percent or greater interest, are authorized through 12:01 a.m. eastern daylight time, April 27, 2022, including:

- Research, design, development, production, modification, upgrade, certification, distribution, and marketing;
- Provision or receipt of services, including warranty, maintenance, logistics, storage, shipping, insurance, security, brokerage, legal, banking and financial (including

financing and renegotiation of debt), technical and engineering, advertising, and customer services;

- Entry into joint ventures, contract manufacturing agreements, supplier contracts, and other new contracts associated with activities authorized by paragraph (a);
- Payment and receipt of dividends and other funds owed by or to GAZ Group relating to activities authorized by paragraph (a);
- The conduct of financial transactions associated with activities authorized by paragraph (a); and
- Activities necessary for compliance with paragraph (f)(1)(i), including financial auditing services.

(b) Except as provided in paragraphs (c) and (d) of this general license, all transactions and activities otherwise prohibited by the URSR that are ordinarily incident and necessary to the maintenance or wind down of operations, contracts, or other agreements involving GAZ Group, or any other entity in which GAZ Group owns, directly or indirectly, a 50 percent or greater interest, and that were in effect prior to April 6, 2018, including the importation of goods, services, or technology into the United States, are authorized through 12:01 a.m. eastern daylight time, April 27, 2022.

(c) All funds in accounts of blocked persons identified in paragraphs (a) and (b) that were blocked as of 12:01 a.m. eastern daylight time, May 22, 2018, remain blocked, except that such funds may be used for the activities authorized by this general license.

(d) This general license does not authorize:

(1) The divestiture or transfer of debt, equity, or other holdings in, to, or for the benefit of the blocked persons described above;

(2) Any transactions or dealings otherwise prohibited by any other part of 31 CFR chapter V, or any transactions or dealings with any blocked person other than the blocked persons described in paragraphs (a) and (b) of this general license; or

(3) The unblocking of any property blocked pursuant to any part of 31 CFR chapter V, except as authorized by paragraphs (a) or (b).

(e) U.S. persons participating in transactions authorized by this general license are required, within 10 business days after the expiration date of this general license, to file a detailed report of each transaction, including the names and addresses of parties involved, the type and scope of activities conducted, and the dates on which the activities occurred, via email to OFACReport@treasury.gov (preferred) or mail to Office of Foreign Assets Control, Office of Compliance and Enforcement, U.S. Department of the Treasury, 1500 Pennsylvania Avenue N.W., Freedman's Bank Building, Washington, DC 20220.

(f)(1) GAZ Group is required to provide the following information to OFAC:

(i) Audited financial statements and board meeting minutes for GAZ Group, reports of composition and changes to GAZ Group's Board of Directors, lists of any new joint ventures entered into by GAZ Group and any joint ventures under development by GAZ Group in which GAZ Group is a participant, and financing agreements entered into by GAZ Group valued at or exceeding \$5 million U.S. dollars. This information must be reported within five days of the close of each calendar quarter.

(ii) Certification that GAZ Group is not acting for or on behalf of Mr. Oleg Deripaska or any other person included on OFAC's list of Specially Designated Nationals and Blocked Persons, and that control over the actions, policies, and decisions of the company rests with GAZ Group's Board of Directors and shareholders. This information must be reported within five days of the close of each calendar month.

(2) Information reported under paragraph (f)(1) of this general license must reference General License 15K and be sent via email to OFACReport@treasury.gov (preferred) or mail to Office of Foreign Assets Control, Office of Compliance and Enforcement, U.S. Department of the Treasury, 1500 Pennsylvania Avenue N.W., Freedman's Bank Building, Washington, DC 20220.

(g) Effective January 24, 2022 General License No. 15J, dated December 23, 2020, is replaced and superseded in its entirety by this General License No. 15K.

Andrea M. Gacki
Director
Office of Foreign Assets Control

Dated: January 24, 2022

OFFICE OF FOREIGN ASSETS CONTROL

Ukraine Related Sanctions Regulations 31 CFR part 589

GENERAL LICENSE NO. 15L

Authorizing the Wind Down of Transactions Involving GAZ Group

(a) Except as provided in paragraph (b), all transactions and activities prohibited by the Ukraine Related Sanctions Regulations, 31 CFR part 589 (URSR), that are ordinarily incident and necessary to the wind down of transactions involving GAZ Group, or any entity in which GAZ Group owns, directly or indirectly, a 50 percent or greater interest, are authorized through 12:01 a.m. eastern daylight time, May 25, 2022.

(b) This general license does not authorize:

(1) Any debit to an account of GAZ Group, or any entity in which GAZ Group owns, directly or indirectly, a 50 percent or greater interest, on the books of a U.S. financial institution; or

(2) Any transactions or activities otherwise prohibited by the URSR, or prohibited by any part of 31 CFR chapter V, statute, or Executive order, or involving any blocked person other than the blocked persons described in paragraph (a) of this general license.

(c) Effective April 25, 2022, General License No. 15K, dated January 24, 2022, is replaced and superseded in its entirety by this General License No. 15L.

Andrea M. Gacki
Director
Office of Foreign Assets Control

Dated: April 25, 2022

Andrea M. Gacki,
Director, Office of Foreign Assets Control.

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